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Agenda items 127 and 128

Programme budget for the biennium 2006-2007

Proposed programme budget for the biennium 2008-2009

Supplementary agreement between the United Nations and the Carnegie Foundation concerning the use of the Peace Palace at The Hague

Ninth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the supplementary agreement between the United Nations and the Carnegie Foundation for the use of the Peace Palace by the International Court of Justice, at The Hague (A/62/496). The report of the Secretary-General proposes amendments to the supplementary agreement which are submitted for the approval of the General Assembly.

2. As explained in paragraph 6 of the report, the proposed amendment to article II of the supplementary agreement, which establishes the annual contribution payable by the United Nations to the Carnegie Foundation for premises occupied by the Court in the Peace Palace, is based on the recently concluded negotiations between the two organizations. As a result thereof, the annual contribution of the United Nations to the Carnegie Foundation for premises occupied by the Court in the Peace Palace would be fixed at €1,152,218 net, i.e., a 13 per cent increase over the 2005 annual contribution.

3. The proposed change in the contribution reflects an increase in the cost of security operations, cleaning and utilities, compared to the inflation adjustments that have been applied to the annual contribution since its revision in 1997. The base amount will continue to be subject to annual increases relating only to inflation, and will be reviewed after a period of five years from the date of commencement (ibid., para. 7).

4. The proposed amendments to article IV of the supplementary agreement are outlined in paragraph 8 of the report. The Committee was informed that the

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proposed amendments would define clearly the allocation of space occupied by the International Court of Justice, as well as procedures for modification of such space.

5. The Committee notes that, as part of the negotiations between the United Nations and the Carnegie Foundation, and given the lapse of time between the proposed date of the five-year review in 2002 to the conclusion of the negotiations, both parties agreed that the new agreement would take effect from 1 July 2006 (ibid., para. 10). **The Advisory Committee welcomes the agreement arrived at as a result of the negotiations between the United Nations and the Carnegie Foundation.**

6. Additional requirements amounting to $251,200 for the biennium 2006-2007 would result from the revised annual contribution from the United Nations to the Carnegie Foundation for the use of the Peace Palace by the International Court of Justice. They would be reflected in the second performance report for the programme budget for the biennium 2006-2007. With regard to the biennium 2008-2009, the Secretary-General indicates that the financial implications arising from the amendments, estimated at $552,000, would be considered in the context of the recosting of the proposed programme budget for the biennium 2008-2009 prior to determination of the initial appropriations to be approved by the General Assembly in December 2007.

7. **The Advisory Committee recommends that the General Assembly approve the course of action proposed by the Secretary-General in paragraph 12 (a), (b) and (c) of his report (A/62/496).**

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Proposed programme budget for the biennium 2008-2009

Construction of additional conference facilities at the Vienna International Centre

Tenth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the construction of additional conference facilities at the Vienna International Centre (A/62/358). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarification.

2. The report of the Secretary-General provides updated information on the status of the construction of additional conference facilities at the Vienna International Centre and on the progress made since the issuance of the previous report of the Secretary-General (A/61/166).

3. In paragraph 3 of the report (A/62/358), information is provided on the status of implementation of the project. Completion of construction is now expected by the end of 2007, with the installation of technical equipment being completed by mid-2008, and it is envisaged that the four organizations based at the Vienna International Centre (the International Atomic Energy Agency (IAEA), the United Nations Industrial Development Organization (UNIDO), the Comprehensive Nuclear-Test-Ban Treaty Organization and the United Nations Office at Vienna) will begin to move into the new M building in September and October 2008, with full occupancy tentatively planned for 1 January 2009. Upon enquiring, the Committee was informed that the project was being implemented on schedule.

4. As indicated in paragraph 4 of the report, IAEA, UNIDO, the Comprehensive Nuclear-Test-Ban Treaty Organization and the United Nations Office at Vienna would collectively contribute €2.5 million for the construction of additional conference facilities. The United Nations share of that contribution will be covered by a provision of $117,700 included in the proposed programme budget for the

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biennium 2008-2009 under section 32, Construction, alteration, improvement and major maintenance (A/62/6 (Sect. 32)).

5. **The Advisory Committee welcomes the inclusion in the report of the Secretary-General of information on asbestos removal, as recommended by the Committee (A/61/361, para. 5).** The Secretary-General indicates that the overall implementation rate of the asbestos removal was 50 per cent, reflecting the completion of work in relation to four of the six towers (A, B, D and E) of the Vienna International Centre, which contain mostly offices. Asbestos removal work in the towers that accommodate joint and common services (F and G) will commence in late 2007 and continue into 2009. The asbestos removal for the building that houses primarily conference facilities and related services is scheduled to commence during the biennium 2008-2009. Accordingly, the total project plan is expected to be completed by mid-2011.

6. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General on the construction of additional conference facilities at the Vienna International Centre (A/62/358).**

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Proposed programme budget for the biennium 2008-2009

Section 13, International Trade Centre UNCTAD/WTO

Eleventh report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the proposed programme budget for the International Trade Centre UNCTAD/WTO (ITC) for 2008-2009 (A/62/6 (Sect. 13)/Add.1). During its consideration of the report, the Committee met with the Executive Director and other representatives of ITC through videoconference and with representatives of the Secretary-General at Headquarters.

2. Pursuant to General Assembly resolution 59/276, a simplified budget fascicle was submitted in document A/62/6 (Sect. 13) with a preliminary estimate to accommodate the programme of activities of ITC for the biennium 2008-2009. In its first report on the proposed programme budget for the biennium 2008-2009,[1] the Advisory Committee recommended that, without prejudice to its consideration of the final submission of the detailed proposed programme budget for ITC, the General Assembly take note of the resources proposed in the preliminary budget estimate, including the request for three new Professional posts (1 P-4 and 2 P-2), the reclassification of a P-2 post to the P-4 level and the abolition of two General Service posts.

3. Information on the estimated requirements and projected income of ITC for the biennium 2008-2009 is provided in table 13.2 of the budget document (A/62/6 (Sect. 13)/Add.1). The budget is to be financed equally by the United Nations and the World Trade Organization, the two parent organizations of ITC. The Advisory Committee notes from the table that the requirements for the biennium are estimated at SwF 68,680,900, before recosting, representing an increase of SwF 311,500, or 0.4 per cent, compared with the appropriation for 2006-2007. The increase is due mainly to the proposed creation of four new Professional posts and

[1] *Official Records of the General Assembly, Sixty-second Session, Supplement No. 7* (A/62/7), chap. II, para. IV.31.

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one reclassification (see para. 5 below). Miscellaneous income for the biennium is projected at SwF 700,000, an increase of SwF 230,000 in comparison with the estimate of SwF 470,000 for the current biennium. As indicated in paragraph 13.15 of the budget document, the estimated contribution from each parent organization for the biennium 2008-2009 would be SwF 34,526,200, after recosting, or $28,771,800 at the United Nations operational exchange rate for September 2007 of SwF 1.20 to US$ 1.

4. The Advisory Committee was informed of increases in estimated extrabudgetary resources that would complement provisions under the regular budget and enable ITC to implement technical cooperation projects. The requirements for the biennium 2008-2009 under the regular budget are estimated at SwF 69,752,200, after recosting, and extrabudgetary resources are estimated at SwF 96,000,000. Extrabudgetary expenditure for the biennium 2004-2005 was SwF 64,491,600, and the appropriation for the biennium 2006-2007 is SwF 80,418,200. As paragraphs 13.7 and 13.35 of the budget indicate, financial resources for trade-related technical assistance have increased exponentially, and the Centre has been identified as an important recipient of trade-related technical assistance by donors. As ITC will play a central role in delivering aid for trade, it will receive a larger volume of extrabudgetary funds in 2008-2009. Annual expenditure on technical assistance by ITC increased by 118 per cent between 2000 and 2006, compared with corresponding growth of regular budget expenditures by 17.3 per cent during the same period.

5. Post requirements for the biennium 2008-2009 are described in paragraphs 13.13, 13.33 and tables 13.3 and 13.5 of the budget document. The proposals contained in paragraph 13.13 regarding the creation of four new Professional posts (1 P-4 and 3 P-2), the redeployment and reclassification of one P-2 post to the P-4 level and the abolition of three General Service posts are as follows:

(a) The establishment of a P-4 post for a Senior Results-based Management and Evaluation Officer (Office of the Executive Director) to design and implement processes to monitor and report results and performance at the organizational level and support managers and staff;

(b) The establishment of a P-2 post for an Information Systems Developer (Division of Product and Market Development) to ensure that the trade information section has the resources and skills to develop and maintain new web-based information management tools;

(c) The establishment of a P-2 post for a Trade Information Officer (Division of Product and Market Development) to support trade information research and content development and to reinforce the capacity for an enquiry reply service;

(d) The establishment of a P-2 post for a Human Resources Officer (Division of Programme Support) to strengthen the capacity to review and develop human resources management approaches and provide coaching for improved productivity and performance within the results-based management context;

(e) The redeployment and reclassification of a P-2 post to the P-4 level for a Web Editor (from the Division of Programme Support to the Office of the Executive Director) to strengthen the Centre's communications function at the strategic level;

(f) The abolition of three General Service posts (2 in the Division of Product Market Development and 1 in the Division of Programme Support) that are no longer required as the functions of the posts have changed due to the increased use of digital information sources.

6. **The Advisory Committee recommends acceptance of the proposals outlined in subparagraphs (b) to (f) of paragraph 5 above for the reasons outlined by the Secretary-General in his report. With regard to the proposal for a new P-4 post outlined in paragraph 13.13 (a) of the report, the Committee is of the opinion that this function should be viewed as a collective effort of all departments concerned (see also para. 8 below) and, as such, the Committee is not convinced that the addition of such a post is required or would provide commensurate value.**

7. The requirements for non-post resources for the biennium 2008-2009 are estimated at SwF 16,102,700, before recosting, the same level as the appropriation for 2006-2007. The increase in requirements for other staff costs, training, furniture and equipment would be offset by a decrease in requirements for general operating expenses and for supplies and materials, as shown in paragraph 13.14 of the budget document.

8. The Advisory Committee notes from paragraph 13.25 of the budget document that ITC has started a change management process, following the findings of a comprehensive external evaluation and recommendations by the Office of Internal Oversight Services. A major part of this process is the implementation of results-based management. The Committee was informed that the Centre's move to results-based management and results-based budgeting was a work in progress and that ITC intended to achieve significant improvement in that regard in the presentation of the next biennial budget. **The Committee recommends that, in the process of adopting results-based management and results-based budgeting, ITC draw on the experience of and lessons learned by other organizations of the United Nations system.**

9. Upon enquiry, the Advisory Committee was informed that the Centre's customer relationship management and enterprise content management systems would be complementary to and fully integrated with the future United Nations enterprise resource planning system. The Committee was also informed that ITC had initiated discussions with the United Nations Office at Geneva on the inclusion of those services in the Memorandum of Understanding between ITC and the United Nations Office at Geneva and that, in pursuing its investment in the systems, ITC would align itself with the United Nations approach and services to the fullest extent possible. The Committee intends to follow up on this in the context of the report of the Secretary-General on the preparation for the enterprise resource planning system.

10. The Advisory Committee recalls that the new budget procedures introduced by General Assembly resolution 59/276 require ITC to continue to prepare two budget fascicles with the same financial and substantive information in different formats for submission to the United Nations and the World Trade Organization. The Centre should endeavour to harmonize the two documents in consultation with the United Nations and World Trade Organization secretariats. In its report on the biennial budget of ITC for 2006-2007 (A/60/7/Add.16, para. 12), the Committee requested that information on further efforts made and progress achieved in harmonization

should be reported in the context of the next budget submission, along with an evaluation of how the new procedures are working and have simplified and streamlined the budget presentation procedures. ITC reported, in table 13.6 of the budget document, that the new procedures had reduced the amount of work and duplication during the budget presentation process. Opportunities for further harmonization will be examined during the biennium 2008-2009 in the context of the ITC change management process.

11. **The Advisory Committee recommends that the General Assembly approve the proposed budget under section 13, International Trade Centre UNCTAD/WTO, of the proposed programme budget for the biennium 2008-2009, subject to the recommendations outlined in paragraph 6 above.**

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Proposed programme budget for the biennium 2008-2009

Construction of additional office facilities at the Economic Commission for Africa in Addis Ababa

Twelfth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on the construction of additional office facilities at the Economic Commission for Africa (ECA) in Addis Ababa (A/62/487). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. The report of the Secretary-General was submitted pursuant to resolution 56/270, in which the General Assembly, inter alia, requested the Secretary-General to report on an annual basis on progress made in the construction of additional office facilities at ECA. The Committee notes that the report contains an update on actions taken to implement the project since the Secretary-General's previous report (A/61/158).

3. In its resolutions 56/270 and 60/248 the General Assembly approved the construction of additional office facilities (two additional floors) at the headquarters of ECA at a total estimated project cost of $11,383,300. The Secretary-General indicated that, as a result of the approval of the two additional floors, the project design had to be revised to address a number of issues, such as the positioning of the elevators and the electrical circuitry in the structure. Other associated changes entailed cost escalation and required amendments to the initial contract with the international architect. The amendments to the contract with the international architect were signed on 13 June 2007 and the architect submitted the final drawings to ECA at the end of August 2007. According to the Secretary-General, owing to the amendments to the contract with the international architect and the delay in the design work, the original project schedule has had to be revised. The project is now expected to be completed in August 2010 instead of October 2009.

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4. The Secretary-General indicated that, owing to the delays in the project design phase, the additional requirements relating to ensuring safety and security and the unforeseen construction components that have become necessary for the new office facilities, it is anticipated that the total cost of the project would amount to $14,333,100, i.e., an additional $2,949,800 over the approved budget of $11,383,300. The Committee notes that out of the total amount of $2,949,800, a provision of $1,100,000 for the information and technology network and telephone equipment, has been included in the proposed programme budget for the biennium 2008-2009 (A/62/6 (Sect. 32)). Thus, the report of the Secretary-General contains a request for funding the balance of $1,849,800 (net of staff assessment) of the additional requirements.

5. As indicated in table 3 of the report (A/62/487), the additional funding requested in the report is proposed for the following:

Safety and security	$759 800
Internal access roads	$130 000
Parking and landscaping	$660 000
Generators and generator house	$300 000
Total	**$1 849 800**

6. Information on the estimated requirements of $759,800 for safety and security is contained in paragraphs 8 and 9 of the report. The security requirements had not been sought earlier while ECA was revising the design. The Secretary-General indicated that, upon finalization of the design and following an assessment of the threat level and the security arrangements required during the construction phase, it was identified that, as of 2008, additional resources will be required. He also indicated that the security staff currently authorized at ECA are fully engaged in covering existing assignments. The Secretary-General estimates that 25 additional security officers will be required to provide effective security services to the construction areas and to other areas of the complex in which the work and activities of the United Nations will continue to be performed. The Advisory Committee was informed that the additional security officers would be recruited locally, should the General Assembly approve the required funding.

7. The estimated requirements of $130,000 for internal access roads are explained in paragraph 12 (a) of the Secretary-General's report. As stated therein, at the time of the project's conception, no internal access road was considered necessary because the initial location of the building was inside the existing compound and it was uncertain at that time whether additional land would be granted by the host Government. With the subsequent allocation of additional land and the completion of the design, it has become necessary to build internal access roads at an estimated cost of $130,000.

8. The Advisory Committee notes that ECA collaborates with the local authorities on the construction of an alternative public access road. It also notes that while the Addis Ababa municipality remains positive as to the timely construction of the road, no progress has been made to date. The Secretary-General indicated that, in the event that ECA will have to construct the access road, additional costs for the United Nations will have to be incurred. The Committee was informed that while the Host Country Agreement and local land lease agreement do not contain a specific clause regarding road construction, it can be inferred from the lease

agreement that it is the responsibility of the host Government to construct the external access road. **The Committee recommends that the Secretary-General actively pursue the conclusion of the negotiations on this matter in a timely manner so as not to delay the construction project at ECA.**

9. The Committee notes that the cost of constructing a multi-storey parking facility is estimated at $660,000 (i.e., a parking capacity of 660 cars at an average cost of $1,000 per car space). As indicated in paragraph 12 (b) of the report, ECA is currently reviewing the possibility of introducing a parking fee policy as from January 2008. **The Committee welcomes this development and trusts that the next progress report will include information on the level of the parking fee at ECA and on the related income.**

10. The Committee also notes that a provision of $300,000 is proposed for back-up generators and facilities, to ensure power supply to the new office facilities upon their completion. The generator would be installed during the construction phase (see A/62/487, para. 12 (c)).

11. **The Advisory Committee recommends that the General Assembly approve the course of action proposed in paragraph 15 (a) and (b) of the report of the Secretary-General on the construction of additional office facilities at the Economic Commission for Africa in Addis Ababa (A/62/487). At the same time, the Committee is of the view that cost containment measures should be taken so that the project does not entail further cost escalation beyond the current proposed budget of $14,333,100.**

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Programme budget for the biennium 2006-2007

Proposed programme budget for the biennium 2008-2009

Financial situation of the International Research and Training Institute for the Advancement of Women

Thirteenth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered an advance copy of the report of the Secretary-General on the financial situation of the International Research and Training Institute for the Advancement of Women (INSTRAW) (A/62/509). The Committee also had before it the report of the Secretary-General on the future operations of the Institute (A/62/173). During its consideration of the report (A/62/509), the Committee met with the representatives of the Secretary-General who provided additional information and clarifications.

2. The report on the financial situation of the Institute was submitted pursuant to section II of General Assembly resolution 61/273 of 29 June 2007, in which the Secretary-General had been requested to report to the Assembly at its sixty-second session on the financial situation of the Institute, including solutions for placing it on a more stable basis, without recourse to regular budget funding, in line with the statute of the Institute. The Advisory Committee recalls that the Assembly had appropriated $1,042,200 for the Institute for the biennium 2006-2007 to cover the projected shortfall of voluntary funding for 2006 (Assembly resolution 60/247 of 23 December 2005). In addition, pursuant to its decision 61/555 of 4 April 2007 and resolution 61/273, the Assembly decided, on an exceptional basis and subject to reimbursement pending receipt of voluntary contributions in 2007, to authorize the Secretary-General to enter into commitments up to $190,000 and $367,800, respectively, in 2007.

3. In the Secretary-General's report, it is projected that the INSTRAW Trust Fund for core activities will have an income of $3,491,900 for the biennium 2006-2007 with total expenditures of $2,648,300. The balance will allow the Institute to make provision for a reserve of $200,000 to cover eventual final INSTRAW expenditures

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and to reimburse the full amount of the commitment authority of $190,000 and $367,800 authorized by the General Assembly, with a projected closing surplus of $85,800 to be carried over into 2008. Voluntary contributions from Governments for core activities for the biennium are estimated at $762,700, including $515,300 received as of 30 September 2007 and a further $247,400 that is expected before the end of 2007. An additional amount of $209,000 is expected under miscellaneous income for the biennium 2006-2007 from the United Nations Stabilization Mission in Haiti (MINUSTAH) for a series of services provided by INSTRAW for the mission's disaster recovery centre. In this connection, the Advisory Committee recalls that a memorandum of understanding providing for the reimbursement to the Institute of a fixed monthly cost of $13,875 had been signed between INSTRAW and MINUSTAH for a period of five years from 1 December 2006 to 30 November 2011. The Committee notes that as at 30 September 2007, additional funding received for the INSTRAW Trust Fund for special projects totalled $886,900.

4. With respect to 2008, expenditures are estimated at $1,541,000, representing an increase of $98,000 over the 2007 projection, owing to increases in staff costs and operating expenses. The estimated income for 2008 includes projected contributions of $1,485,500 (see A/62/509, annex I) and the balance of $85,800 carried forward from 2007. The Advisory Committee was informed that the Institute expected that the assured contribution of $423,000 for core activities expected to be received at the beginning of 2008 (see A/62/509, para. 10) would actually be higher, in the amount of $705,000 (€500,000). **The Committee notes the encouraging trend reflected in the renewed commitment by Member States to supporting INSTRAW.**

5. The Advisory Committee notes that the Institute has adopted a medium-term resource mobilization strategy for 2008-2009, developed in collaboration with the United Nations Fund for International Partnerships. This strategy is aimed at securing funds for the implementation of the Institute's core activities, from both Member States and the private sector, and at developing strategic and collaborative partnerships with other organizations. Emphasis is also placed on the need to monitor and follow up on receipt of projected contributions closely and to align the operational budget to the levels of contributions. **The Committee trusts that the measures outlined in part III of the Secretary-General's report will place the Institute on a path towards financial sustainability. In this regard, the Committee welcomes the improved financial situation of INSTRAW and commends the Director and the Executive Board for their proactive approach and efforts to secure sustainable financing for the Institute.**

6. **The Advisory Committee recommends that the General Assembly take the course of action proposed by the Secretary-General in paragraph 16 of his report (A/62/509).**

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Programme budget for the biennium 2006-2007
Proposed programme budget for the biennium 2008-2009

Administrative and financial implications arising from the report of the United Nations Joint Staff Pension Board

Fourteenth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General (A/C.5/62/2) on the administrative and financial implications that would arise for the regular budget should the General Assembly adopt the recommendations submitted to it in the report of the Standing Committee of the United Nations Joint Staff Pension Board (A/62/175).

2. As indicated in paragraph 2 of the report of the Secretary-General, at the time of the preparation of the programme budget proposals for the biennium 2008-2009, the administrative budget of the United Nations Joint Staff Pension Fund for the period 2008-2009 had not yet been finalized. The United Nations regular budget share of the cost of the central secretariat of the Fund, as included in the proposed programme budget for the biennium 2008-2009, was originally estimated at $10,553,600 (at 2006-2007 rates). The Advisory Committee notes that, at 2008-2009 rates, this estimate amounts to $11,239,900 (see A/C.5/62/2, para. 3).

3. Based on the recommendations contained in the report of the Pension Board, the United Nations share of the administrative and audit costs related to the Fund has been revised to a total of $18,998,600 (at 2008-2009 rates) (see A/62/175, para. 150 (c)).

4. The Advisory Committee observes that, in accordance with established procedures, an estimated 62.2 per cent of the costs to be borne by the United Nations will be covered by the regular budget of the United Nations and the balance of 37.8 per cent will be reimbursed by the funds and programmes (see A/62/6 (Sect. 1), para. 1.28). However, the Secretary-General indicates that, based on the latest data on the number of participants in the Fund, against which the

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percentage is derived, the United Nations share would need to be revised to 63.1 per cent (see A/C.5/62/2, para. 7).

5. The Secretary-General indicates that, based on the application of the revised distribution rate of 63.1 per cent to the revised overall requirements of $18,998,600 (at 2008-2009 rates), an amount of $11,988,100 (at 2008-2009 rates) would represent the revised regular budget share as compared with $11,239,900 (at 2008-2009 rates) already included under section 1, Overall policymaking, direction and coordination, of the proposed programme budget for the biennium 2008-2009 (A/62/6 (Sect. 1)). The Secretary-General therefore proposes that an additional appropriation in the amount of $748,200, reflecting the difference between the previously budgeted amount of the regular budget share and the revised requirements, would need to be included under section 1 of the proposed programme budget for the biennium 2008-2009.

6. In its fourth report on the proposed programme budget for the biennium 2008-2009 (A/62/7/Add.3), the Advisory Committee has already commented on the report of the Pension Board (A/62/175). Should the General Assembly adopt the recommendations contained in the report of the Pension Board, an additional appropriation of $748,200 would need to be included under section 1, Overall policymaking, direction and coordination, of the proposed programme budget for the biennium 2008-2009. The provision would represent a charge against the contingency fund.

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United Nations reform: measures and proposals

Proposed programme budget for the biennium 2008-2009

Human resources management

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Human resources management

Fifteenth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

I. Introduction

1. The Advisory Committee on Administrative and Budgetary Questions has considered the following reports of the Secretary-General on human resources management:

(a) Amendments to the Staff Rules (A/62/185);

(b) Practice of the Secretary-General in disciplinary matters and possible criminal behaviour, 1 July 2006 to 30 June 2007 (A/62/186);

(c) Implementation of the mobility policy (A/62/215);

(d) Detailed proposals for streamlining United Nations contractual arrangements (A/62/274);

(e) Activities of the Ethics Office (A/62/285);

(f) Staffing of field missions, including the use of 300- and 100-series appointments (A/61/732);

(g) Report of the Joint Inspection Unit on staff mobility in the United Nations (A/61/806) and comments of the Secretary-General thereon (A/61/806/Add.1);

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(h) Human resources management reform: recruitment and staffing (A/61/822);

(i) Measures to address the imbalance in the geographical distribution of the staff in the Office of the United Nations High Commissioner for Human Rights (A/61/823);

(j) Civilian career peacekeepers (A/61/850);

(k) Harmonization of conditions of service (A/61/861);

(l) Special measures for protection from sexual exploitation and sexual abuse (A/61/957);

(m) Implementation of the Regulations Governing the Status, Basic Rights and Duties of Officials other than Secretariat Officials and Experts on Mission (A/61/1029).

The Committee also had before it the reports of the Secretary-General on the composition of the Secretariat (A/62/315) and the addendum to the report of the International Civil Service Commission (ICSC) for the year 2006 (A/61/30/Add.1).

2. Owing to a combination of factors, the Advisory Committee and the General Assembly find themselves considering major personnel proposals in a budget year, when they ordinarily would consider them in a non-budget year. A number of reports under consideration relate to requests by the Assembly for more detailed proposals following the major human resources reform initiative launched during the sixty-first session. The consideration of others was deferred from the sixty-first to the sixty-second session for a variety of reasons. Where appropriate, the Committee has recommended that decisions on a number of issues be deferred to the sixty-third session, when they can be considered in the context of the general review of human resources management issues that is carried out in off-budget years. In the present report, the Committee has sought to take a holistic approach to the major proposals concerning streamlining of contractual arrangements, harmonization of conditions of service in the field and the proposed cadre of 2,500 civilian peacekeepers. Those issues are grouped together in section II below.

II. Streamlining contractual arrangements, harmonization of conditions of service and civilian career peacekeepers

Streamlining contractual arrangements

3. The report of the Secretary-General on streamlining contractual arrangements (A/62/274) was submitted in response to a request by the General Assembly for a detailed road map on the implementation of the proposed contractual arrangements (resolution 61/244, sect. VI, para. 5). As also requested by the Assembly, the Secretary-General addresses the conclusions and recommendations contained in paragraphs 49 to 56 of the report of the Advisory Committee on the matter (A/61/537). Moreover, the report of the Secretary-General takes into account the observations of ICSC (A/61/30/Add.1) and includes additional elements arising from consultations with staff representatives at the twenty-eighth session of the Staff-Management Coordination Committee, held from 25 June to 4 July 2007. For its consideration of this matter, the Committee also had before it the report of the

Secretary-General on staffing of field missions, including the use of 300- and 100-series appointments (A/61/732).

4. The Secretary-General has proposed streamlining contractual arrangements under one set of rules, arguing that a single series of rules would promote the equitable treatment of staff members by ensuring that their conditions of service are governed by the same criteria and that the introduction of one set of rules would simplify the Organization's contractual framework, making it easier and more cost-efficient to administer and more transparent for staff members (see A/62/274, paras. 16-17). Moreover, it would, in his view, facilitate the development and implementation of the future enterprise resource planning system. The Secretary-General outlines the details of the three types of appointment proposed, as summarized below.

Temporary appointments

5. The Secretary-General proposes that temporary appointments be used to appoint staff for seasonal or peak workloads and specific short-term requirements for a period of up to one year at a time (see A/62/274, para. 26). Taking into account concerns expressed by ICSC (see A/61/30/Add.1, para. 18), the Secretary-General has proposed that such appointments may be renewed for up to an additional year in the field where warranted by operational needs. **The Advisory Committee recommends approval of the Secretary-General's proposal.**

Fixed-term appointments

6. As indicated in the report of the Secretary-General, fixed-term appointments could be for a period of one year or more and could be renewed or extended to cover a period of up to five years (see A/62/274, para. 28). Staff entering the Organization would be subject to a probationary period during the first year of service. It is envisaged that staff members who had completed five years of continuous service would be considered for continuing appointments.

7. ICSC notes that the Secretary-General's original proposal provided for limiting fixed-term appointments to specific missions or projects. In the Commission's view, the mission-specific appointment is not an effective tool when there is an expectation of mobility and an operational requirement for a global workforce (see A/61/30/Add.1, para. 16). Taking those concerns into account, the Secretary-General proposes that contracts of international staff serving in United Nations peace operations no longer carry a limitation for service to a specific mission (see A/62/274, para. 30). **As such a change would facilitate the deployment of staff where they are needed, the Advisory Committee recommends approval of the Secretary-General's proposal.**

8. ICSC points out that "the limitation of five years on the fixed-term appointment reduces management's flexibility to assign staff in accordance with the needs of the Organization" (A/61/30/Add.1, para. 15). In response to that concern, the Secretary-General proposes that international staff in United Nations peace operations who are not part of the proposed 2,500 international career staff and who demonstrate the highest standards of efficiency, competence and integrity should normally be granted extensions of fixed-term appointments of up to two years that would not be limited to service at any particular mission in order to meet the identified operational requirements of United Nations peace operations. Such staff

could remain on fixed-term appointments as long as their services were needed, whereas in other cases, extensions beyond five years could be granted, but not to exceed one year (A/62/274, paras. 33-34). The funds and programmes would have the flexibility to extend fixed-term appointments beyond five years in accordance with their operational mandates (A/62/274, para. 35).

9. Upon enquiry, it was clarified to the Advisory Committee that the Secretary-General's intention was that there would be no cap on the number of extensions of fixed-term appointment that could be granted to international staff in peace operations or on the total number of years such staff could serve on a fixed-term appointment as long as their services were still needed. Rather, each extension of fixed-term appointment for such staff should be for a period not to exceed two years. **The Committee recommends that international staff on fixed-term appointments in United Nations peace operations who demonstrate the highest standards of efficiency, competence and integrity be granted extensions (of up to two years for each extension) that would not be limited to service at any particular mission, for as long as their services are needed. Extensions could be granted in other cases, but not to exceed one year (see also paras. 14-15 below).**

Continuing appointments

10. Under the Secretary-General's proposals, staff with five years of continuous service in the Organization would be considered for a continuing appointment, which would be granted if there were a continuing need for the services of the staff member and if the staff member had demonstrated the highest standards of efficiency, competence and integrity.

11. ICSC has expressed concern regarding the need for competition in the granting of continuing appointments, stating that the Secretary-General's proposal was "tantamount to automatic conversion because there is no competition, no limit on the number of conversions and essentially everyone would meet the criteria for conversion" (A/61/30/Add.1, para. 9). The Secretary-General asserts that this would already be addressed by the Organization's staff selection process, at the point of recruitment or when moving to another post within the Organization. Upon enquiry, representatives of ICSC explained to the Advisory Committee that the Commission envisaged a rigorous review when staff were considered for conversion.

12. **The Advisory Committee shares the concern of ICSC that conversion should not be automatic. The Committee therefore recommends that the Secretary-General develop procedures for rigorous review of both the performance of staff and the continuing need for functions, which would be used in deciding whether to grant a continuing appointment, and report on progress made to the General Assembly at its sixty-third session. The Committee also recommends that, in order to be considered for a continuing appointment, staff members should have a minimum of five years of continuous service.**

13. **The Advisory Committee considers that a prudent approach will be required with regard to the number of conversions. In this connection, the Committee recalls that there had been a ceiling for permanent appointments: by section V, paragraph 2, of its resolution 51/226, the General Assembly requested the Secretary-General to make efforts to achieve the level of 70 per cent of permanent appointments in posts subject to geographical distribution.**

In the Committee's view it will be for the Assembly to decide whether this concept should be applicable under the new contractual arrangements. The Committee therefore requests the Secretary-General to report on issues associated with the establishment of a ceiling in the context of his report to the Assembly at its sixty-third session on human resources management.

14. In his report on investing in people, the Secretary-General proposed that, depending on the needs of the Organization, continuing contracts could be limited to particular projects or missions in order to avoid the creation of undue expectations of long-term employment (see A/61/255, para. 244). ICSC disagrees with this concept, stating that continuing contracts should not be used when there is no expectation of long-term employment. As the Secretary-General is no longer proposing mission-specific appointments, this is no longer at issue.

15. In paragraph 48 of his report on streamlining contractual arrangements (A/62/274), the Secretary-General points out that staff who work in projects or entities with finite mandates would not be excluded from consideration for continuing appointments because it would not be consistent with the Organization's operational requirements and mobility policy to assess continuing need by reference to a particular mandate, function or post. Accordingly, he now proposes that staff working on projects could be granted a continuing appointment, which would be without limitation, provided there is a continuing need for the services of the staff member in the Organization. **The Advisory Committee recommends approval of this proposal for the reasons cited by the Secretary-General. For the same reasons, while the Committee does not recommend approval of the establishment of the cadre of 2,500 career peacekeepers (see para. 36 below), it recognizes that international staff working in peace operations should also be eligible for consideration for continuing contracts.**

16. As to locally recruited mission staff, the Secretary-General concurs with the Staff-Management Coordination Committee that the Organization has an obligation to offer both greater job security and end-of-mission termination benefits that will enable locally recruited mission staff to be gainfully employed or self-employed when a mission withdraws (see A/62/274, para. 47). Under the current system, a staff member whose fixed-term appointment is terminated before the expiration date specified in the letter of appointment is entitled to a termination indemnity in accordance with the schedule set out in paragraph (a) of annex III to the Staff Rules. Paragraph (d) of annex III to the Staff Rules stipulates, however, that no indemnity payments shall be made to a staff member who has a temporary appointment for a fixed term that is completed on the expiration date specified in the letter of appointment.

17. The Secretary-General proposes that those locally recruited staff members whose services continue to be needed beyond five years and who meet the applicable standards should be eligible to receive a continuing appointment. They would then receive termination indemnities commensurate with their length of appointment when their service ended, normally with the closure of the mission. The Secretary-General indicates that, as it is not known when individual peace operations will end, it is not possible to determine the costs associated with payment of termination indemnities. Upon request, the Advisory Committee was provided with indicative financial implications for the payment of termination indemnity to local staff in Kosovo (Serbia) if the mission were to close in April 2008, which are

estimated at $11.9 million for 1,953 staff. As noted in paragraph 16 above, should the services of the local staff end on the same date as the expiry of their appointment, no termination indemnity would be payable and, in this case, there would be no financial implications.

18. **The Advisory Committee is not convinced that termination payments for locally recruited mission staff should be linked to their type of appointment. The Committee recommends that ICSC undertake an analysis of this matter and report thereon to the General Assembly by the sixty-third session.**

19. The Secretary-General has proposed that staff recruited through the national competitive examination be offered fixed-term appointments with consideration for continuing appointment after five years. In this regard, ICSC has highlighted the positive impact of the examination on gender balance and geographical distribution. It has expressed concern that the Secretary-General's proposal could lead to a decline in the rate of acceptance by national competitive examination candidates of employment with the United Nations and recommends instead that such candidates be considered for continuing appointment after two years. The Advisory Committee notes, as indicated in paragraph 50 of the Secretary-General's report (A/62/274), that one of the fundamental objectives of the proposal to streamline contractual arrangements is to enhance fairness and consistency in the treatment of staff, while also simplifying administration. In the Secretary-General's opinion, it is important to avoid creating different categories of staff members. He points out that staff members joining the Organization at higher levels enter through a competitive selection process, often bringing many years of proven professional experience to the job and he therefore maintains that all staff should be considered for conversion after five years of service. Upon enquiry, the Advisory Committee was informed that, under the Secretary-General's proposal, the process of consideration for continuing appointment for staff members recruited from the national competitive examination roster would be expedited by limiting the review to a determination of whether the staff member had demonstrated the highest standards of efficiency, competence and integrity; all national competitive examination staff members would be deemed to meet the requirement of the need for their continued service in the Organization.

20. Under the current system, qualified national competitive examination candidates are placed on a roster and not guaranteed immediate placement against a post in the Organization. The waiting period for successful candidates on the roster is indefinite. In this connection, the Advisory Committee recalls paragraph 38 of General Assembly resolution 57/300, in which the Assembly shared the vision of the Secretary-General to foster excellence among United Nations staff, inter alia, by rejuvenation, while ensuring the highest standards of efficiency, competence and integrity, as well as equitable geographical representation and gender balance. In this regard, the Committee also recalls section III of resolution 61/244.

21. The Advisory Committee will revert to this matter in the context of its consideration of human resource management issues at the sixty-third session.

22. Under the Secretary-General's proposal, continuing contracts may be terminated "in the interest of the good administration of the Organization" (A/61/255, para. 249). In response to the Advisory Committee's request for clarification concerning a staff member's opportunity for redress in such a case, the Secretary-General indicates that

"the staff member concerned would be given the opportunity to review the recommendation and supporting documentation and to provide comments to the Assistant Secretary-General for Human Resources Management before a final decision was made. A decision by the Assistant Secretary-General for Human Resources Management to terminate a continuing appointment would constitute an administrative decision that is subject to appeal, pursuant to chapter XI of the Staff Rules. Under staff rule 111.2 (c) (i), a staff member may also request a suspension of action on the decision by writing to the Secretary of the Joint Appeals Board" (see A/62/274, para. 52).

23. As the Advisory Committee has noted, under the terms of staff regulation 9.1, paragraph (a), the Secretary-General may terminate the appointment of a staff member who holds a permanent appointment if such action would be in the interest of the good administration of the Organization and in accordance with the standards of the Charter, "provided that the action is not contested by the staff member concerned" (see A/61/537, para. 54). The staff member holding a continuing appointment would not be provided the opportunity to contest termination, but rather to "provide comments". **The Committee considers it imperative that rigorous procedures are in place for the review of both the performance of staff and the continuing need for functions when determining the termination of appointment of a staff member. Of equal importance is the need to ensure that staff can contest an envisaged termination internally before such action is taken. The Committee is aware that after termination the staff member would have recourse to the United Nations system of administration of justice. The Committee recommends that the General Assembly request the Secretary-General to report to the Assembly at its sixty-third session on the internal procedures developed.**

24. As indicated in paragraph 60 of the Secretary-General's report (A/62/274), financial implications would arise for the reappointment of international staff currently serving on appointments of limited duration to new appointments governed by the new United Nations contract, which would entail additional entitlements in the form of education grant, family-visit travel and repatriation grant. As at 30 June 2007, there were 3,339 international staff holding appointments of limited duration in field missions. The Secretary-General estimates that on the basis of current patterns of dependency and the marital status of staff, additional costs would amount to $23.7 million per annum — $19.9 million for 10 peacekeeping missions and $3.8 million for 9 special political missions.

Harmonization of conditions of service in the field

25. In line with recommendations of ICSC (see A/61/30/Add.1), the Secretary-General makes the following proposals in his report on harmonization of conditions of service (A/61/861):

(a) Harmonization of the designation of duty stations as family or non-family in accordance with the security phase decided by the Department of Safety and Security and the approach as applied by the Inter-Agency Committee on Field Duty Stations of the Human Resources Network of the United Nations System Chief Executives Board. As a result, 12 current special, non-family United Nations peace operations would be designated as family duty stations;

(b) The introduction of the special operations approach for all non-family duty stations that are designated by the Department of Safety and Security as phase III or higher. Under the special operations approach, a location near a non-family duty station with adequate medical, education and housing facilities is designated as the administrative place of assignment. The staff member receives the same compensation and benefits as those normally given to internationally recruited Professional staff assigned to family duty stations;

(c) Replacement of the occasional recuperation break with rest and recuperation break. In accordance with the recommendation of ICSC, travel for rest breaks would be paid to a designated location. Daily subsistence allowance would only be payable on an exceptional basis when the Organization is unable to provide travel or make arrangements for staff to travel to the approved location;

(d) Discontinuation of the use of 300-series appointments in non-family duty stations.

26. Financial implications, estimated at the time of preparation of the report of the Secretary-General (A/61/861), which assumed an earlier approval date, are set out in section VII of that report.

Civilian career peacekeepers

27. The report of the Secretary-General on civilian career peacekeepers (A/61/850) expands on the proposal set out in his report on investing in people (A/61/255/Add.1 and Corr.1) and responds to the request made by the General Assembly in its resolution 61/244, on the advice of the Advisory Committee, for a more complete analysis of the requirement for, as well as the management and operation of, the proposed 2,500 civilian career peacekeepers.

28. Section II of the report (A/61/850) describes the study undertaken by the Secretariat to identify the baseline capacity of 2,500, as well as the desirable mix of skills and grade levels. The annex to the report provides a breakdown by function and grade of the proposed 2,500 positions. Grade levels would fall primarily between the P-4 and D-1 levels and between the FS-5 and FS-7 levels. A number of P-2 and P-3 positions were included for the managed mobility of staff and for successful candidates from the national competitive examinations. Positions at the D-2 level and above are not included on the basis that such appointments are made by the Secretary-General. Also excluded are positions of seconded, active-duty military and police personnel serving on United Nations contracts, as well as the security, internal oversight and human rights occupational groups, as these staff members are managed by the Department of Safety and Security, the Office of Internal Oversight Services and the Office of the United Nations High Commissioner for Human Rights, respectively. The planned distribution of functions is as follows: 27 per cent in substantive areas, 28 per cent in administration and 45 per cent in logistics support (see A/61/850, annex).

29. The Secretary-General proposes that staff members be selected for career peacekeeping positions through the same competitive process applied in the recruitment of staff in the Secretariat. It is intended that the career civilian peacekeepers will be subject to rapid deployment at short notice to meet operational needs and subject to managed rotation between duty stations, and that this will be stipulated in both vacancy announcements and contracts. The civilian career

peacekeepers would also be eligible to participate in the Secretariat mobility programmes. As indicated in paragraph 21 of the report, when a career civilian peacekeeper leaves the cadre, a determination would be made as to whether the position should remain within the cadre. In addition, staff serving in peace operations who are not part of the cadre would be eligible to apply for a position as a career civilian peacekeeper, together with other United Nations personnel and external candidates, when the numbers fall below 2,500. The composition of the cadre would remain under continual review to ensure that it evolves so as to take into account changes in operational requirements (see A/61/850, para. 31).

30. As indicated in paragraph 39 of the report of the Secretary-General, there is no intention to add to existing staffing levels. The proposal is to finance the 2,500 career civilian peacekeepers through existing authorized positions in United Nations peace operations.

Conclusion

31. **In considering the interrelated issues of streamlining contractual arrangements, harmonization of conditions of service and the civilian career peacekeeping cadre, the Advisory Committee has sought to take a holistic view, keeping in mind the problems that the Secretary-General is attempting to address with his reform proposals. These include, among other things, problems with staff retention in peace operations owing to the four-year limit on 300-series appointments; differing conditions of service for staff; the inability, under the current arrangements, to move staff from mission to mission as operational requirements change; the complexity of administering the current contractual framework; and the need to offer staff in peace operations a career development path.**

32. **In the Advisory Committee's view, the Secretary-General's proposal for streamlining contractual arrangements represents a fundamental change that addresses many of the problems cited above. Therefore, subject to its observations and recommendations in the foregoing paragraphs, the Committee recommends approval of the Secretary-General's proposals to streamline contractual arrangements under one set of Staff Rules, to be phased in according to the plans outlined in section IV of his report (A/62/274). In the Committee's opinion, this measure, together with the elimination of mission-specific appointments and the granting of continuing appointments for staff working in peace operations and on projects, as well as the Committee's recommendations on conditions of service (see para. 34 below), if well administered, will do much to facilitate staff mobility, promote career development for all staff and foster the development of a truly global workforce that can be managed flexibly to meet operational and organizational needs.**

33. The Advisory Committee points out, however, that, even with the institution of one staff contract, international staff detailed from a headquarters duty station to serve in a peace operation in some cases may continue to have better conditions of service than their counterparts who have been hired in the field. Upon request, the Committee was provided with tables showing sample comparisons of compensation for mission appointees and Headquarters staff on assignment to family and non-family duty stations (see annex to the present report). Furthermore, the Committee notes that under the provisions of administrative instruction ST/AI/404,

staff members on mission detail have a two-year lien against their post at the parent duty station. **The Committee is concerned about two phenomena: (a) the question of the duration for which staff on assignment from established duty stations continue to receive compensation that is linked to their employment in the established duty station; and (b) the inconsistency of the lien concept with the "fundamental principle of the organizational mobility policy [which] is that staff members are not tied to their posts" (see A/62/274, para. 48). The Committee believes that these two points will need to be addressed as soon as possible. It therefore recommends that the Secretary-General submit proposals in this regard to the General Assembly at its resumed sixty-second session.**

34. **As to the Secretary-General's proposals to harmonize conditions of service, the Advisory Committee recommends approval of the proposal to harmonize the designation of duty stations as family or non-family in accordance with the security phase decided by the Department of Safety and Security, as well as the proposal to replace the occasional recuperation break with rest and recuperation travel. The projected financial implications of these changes should be updated for presentation to the General Assembly at the time of its consideration of the issue. The Committee points out in this connection that, in addition to the costs foreseen in the report of the Secretary-General (see A/61/861, paras. 28 and 35), the change in the designation of 12 peace operations from non-family to family duty stations would in all likelihood lead to additional security costs.**

35. **The Advisory Committee is not convinced that the special operations approach for non-family missions is required. The Committee believes that the introduction of streamlined contractual arrangements, together with the elimination of mission-specific appointments and the granting of continuing appointments for staff working in peace operations and on projects, as well as its recommendations on conditions of service contained in paragraph 34 above, will address many of the issues that the special operations approach is intended to address. Furthermore, the Committee points out that the special operations approach involves administrative difficulties, as it would involve moving a large number of families to new duty stations. The Committee therefore recommends that the General Assembly defer consideration of the introduction of the special operations approach in order to allow sufficient time for the improvements associated with the implementation of streamlined contractual arrangements to take effect.**

36. **The Advisory Committee does not recommend the establishment of the proposed cadre of 2,500 career civilian peacekeepers, as many of the problems that this proposal was intended to address would be solved through the streamlining of contractual arrangements and the other recommendations in the foregoing paragraphs. With the introduction of a single United Nations contract and the elimination of mission-specific appointments, together with the possibility of consideration for continuing contracts, as proposed by the Committee in paragraph 15 above, the international staff of peace operations will become part of the global workforce, with the same mobility requirements and career development prospects as the rest of the Secretariat.**

III. Mobility

37. The Advisory Committee had before it three reports on the subject of mobility: the report of the Secretary-General on implementation of the mobility policy (A/62/215), which had been requested by the General Assembly in its resolution 61/244; the report of the Joint Inspection Unit on staff mobility in the United Nations (A/61/806), and the comments of the Secretary-General on the report of the Joint Inspection Unit (A/61/806/Add.1).

38. The Advisory Committee notes that the General Assembly, in section IV of its resolution 61/244, requested the Secretary-General to report to it at its sixty-third session on:

(a) The implemented phases of the mobility policy, along with projections for the envisaged remaining phases and an assessment of the relevant administrative and management issues;

(b) An analysis of the managed mobility programme, including information on financial implications and on its usefulness in improving organizational efficiency and addressing, inter alia, high vacancy rates.

The Assembly also decided, in the light of the experience of managed mobility, to review the enforcement of post-occupancy limits at its sixty-third session.

39. **In view of the requests made by the General Assembly for what appears to be a comprehensive report on matters relating to mobility, the Advisory Committee will confine itself in the present report to comments of a general nature concerning the information provided in the reports before it and to recommendations concerning issues that it believes should be addressed in the report to be submitted to the Assembly at its sixty-third session (see resolution 61/244, sect. IV).**

40. **The Advisory Committee has consistently supported the promotion of mobility of staff as a means to develop a more flexible and multi-skilled workforce. However, the Committee concurs with the Joint Inspection Unit that a strategic plan for mobility is essential (see A/61/806, para. 29). The Organization should have a detailed mobility programme. To that end, an analysis should be made of the Organization's needs to determine what type of skills are required and where. Similarly, a detailed inventory, by location, should be drawn up of staff skills and competencies. The Committee therefore requests that the upcoming report include such an analysis and a description of the resulting strategic plan.**

41. In the absence of a reasoned forecast of the financial implications of the implementation of the mobility policy, the Joint Inspection Unit has done its own analysis and estimates additional common staff costs per biennium to be in the range of $15 to $20 million. The Secretary-General asserts, in paragraph 31 of his comments (A/61/806/Add.1), that it is difficult to speculate about how much the programme will cost because, until the policy is fully implemented, it is not known how many staff will move from one duty station to another.

42. **The Advisory Committee will address the question of mobility in the context of its consideration of human resources management issues during the sixty-third session of the General Assembly.**

IV. Measures to address the imbalance in the geographical distribution of the staff in the Office of the United Nations High Commissioner for Human Rights

43. The report of the Secretary-General on measures to address the imbalance in the geographical distribution of the staff in the Office of the United Nations High Commission for Human Rights (OHCHR) (A/61/823) was submitted in response to section XVII, paragraph 2, of resolution 61/244, by which the Assembly requested the Secretary-General to present proposals to address the imbalance in the geographical distribution of the staff in the Office. As indicated in paragraph 22 of the report, a special action plan for achieving equitable geographical representation has been elaborated by the High Commissioner.[1] A number of measures are currently under implementation, including:

(a) Outreach activities to widen the pool of qualified candidates for the national competitive examination in human rights;

(b) Establishment of a mechanism to review the recruitment process for each vacancy prior to final selection so as to ensure that every effort has been made to identify and select qualified candidates from regions requiring improvement;

(c) Constitution of a mailing list of governmental institutions, non-governmental organizations and academic institutions willing to disseminate information on upcoming vacancies in OHCHR;

(d) Institution of a requirement that all chiefs of branch include geographical distribution targets among their goals for the branch under their supervision and regular monitoring of achievements in this regard by the Programme Support and Management Services of OHCHR.

The Secretary-General reports that these efforts have begun to show positive results since the procedures were instituted in late September 2006 (see A/61/823, para. 19).

44. Proposed additional measures include the following:

(a) The funding of consultants in the field of human rights to assist in marking the 2008 national competitive examination in human rights, which is expected to significantly reduce the time required to place successful candidates on the roster;

(b) The placement of national competitive examination candidates against regular budget and extrabudgetary posts. In the latter case, the recruiting department must undertake to absorb the staff recruited against extrabudgetary posts, which are not subject to the system of desirable ranges, in the event that the funding for the original post is exhausted;

(c) Use of staff-exchange mechanisms, such as existing agreements on inter-agency transfers and secondments, as a means for the Office to avail itself of the services of individuals from unrepresented and underrepresented countries;

(d) Careful consideration to geographical balance among associate experts.

[1] See E/CN.4/2006/103.

45. As indicated in paragraph 8 of the report of the Secretary-General, in section III, paragraph 1, of its resolution 61/244, the General Assembly qualified the language of its prior resolutions, by which it had provided that appointment to posts at the P-1 and P-2 levels should be made *exclusively* through competitive examinations. Resolution 61/244 provides that national competitive examinations are the source of recruitment for P-2 posts *subject to geographical distribution* in order to reduce non-representation and underrepresentation of Member States in the Secretariat (emphasis added). Such a qualification would permit recruitment at the P-2 level outside the national competitive examination for posts other than those subject to geographical distribution, of which there are a significant number in OHCHR. Amendments to staff rule 104.15, bringing it into line with resolution 61/244, are contained in the annex to the report of the Secretary-General.

46. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General and request the Secretary-General to provide a progress report on the results of the implementation of measures to address the imbalance in the geographical representation of staff in the Office of the United Nations High Commissioner for Human Rights, in the context of his report on human resources management to be submitted to the Assembly at its sixty-third session.**

V. Amendments to the Staff Rules

47. Consistent with staff regulation 12.3, the report of the Secretary-General on amendments to the Staff Rules (A/62/185) contains the full text of new rules and amendments to existing rules that the Secretary-General proposes to implement as from 1 January 2008, as well as the rationale for the amendments. Upon request, the Advisory Committee was provided with a comparative chart showing the previous text of the rules and the amendments. That chart should be provided to the General Assembly for its consideration of the report of the Secretary-General.

48. The Advisory Committee notes that rules 105.3 (d) (iii) and 205.2 (c) have been amended to provide that staff members should be able to travel to a country other than the country of their nationality for home leave if they have close family or personal ties in that country. **In the Committee's view, the notion of "close family or personal ties" should be precisely defined.**

49. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General.**

VI. Recruitment and staffing

50. **In the Advisory Committee's view, the complex issues of recruitment and staffing should be taken up in 2008, a non-budget year, so that the General Assembly will have more time to devote to them (see para. 2 above). In the paragraphs below, the Committee has, however, flagged a number of issues raised in the report of the Secretary-General on recruitment and staffing (A/61/822) and recommended that the Assembly request the Secretary-General to submit a follow-up report addressing those issues to the Assembly at its sixty-third session.**

51. The report of the Secretary-General was submitted pursuant to section II, paragraphs 4, 10 and 13, of resolution 61/244, in which the Assembly requested the Secretary-General to report to it on matters pertaining to the development of an induction and training programme for the members of central review bodies, the efforts made to reduce the period required to fill vacancies and the use of pre-screened rosters.

52. As noted in section II of the report of the Secretary-General, several steps have been taken to ensure continuous improvement of the work of the central review bodies. New central review body members at all duty stations receive basic orientation and induction training, which is conducted by the Office of Human Resources Management or the human resources office at the duty station. A briefing module on the role of the central review bodies has been developed by the Office of Human Resources Management and distributed to all offices away from Headquarters for the training of members of such bodies. In addition, an online questionnaire was developed and distributed to all members of central review bodies at all duty stations to elicit feedback on training and to assess further training needs. The next steps will include the development of a new version of the guidelines for central review bodies in the staff selection system.

53. As indicated in paragraph 19 of the report, it currently takes 174 days on average to fill a vacancy. Factors affecting the duration of the process include the complexity of policies and procedures, the large number of applications, the shortcomings of the e-staffing support tool, lack of familiarity of programme managers with policies, procedures and the electronic tool, and background checks and administrative clearances of candidates. Efforts undertaken to reduce the period required to fill vacancies have included the development of generic job profiles and standardization of competency and qualification requirements in order to reduce the time spent by managers on the selection process and decrease the rate of cases being returned from the central review bodies to managers. In addition, generic vacancy announcements have been developed in both English and French, reducing delays relating to translation. A review of business processes is also currently under way in preparation for the introduction of a new e-staffing tool and the new enterprise resource planning system. Plans for the future include the introduction of workforce planning and the use of pre-screened rosters as the primary instrument for recruitment and placement.

54. The Advisory Committee notes, in this connection, the efforts that have been made by the United Nations Office at Vienna to reduce recruitment time (see A/62/7, para. VIII.85). The average number of days a Professional post remained vacant in the biennium 2004-2005 was 115, the estimated average for 2006-2007 is 110 and the target set for 2008-2009 is 93. The measures that have enabled the Office to achieve such improvements include: (a) projection of recruitment requirements six months in advance and advertisement of vacancies in advance, subject to budgetary approval; (b) succession planning, whereby posts are advertised six to nine months in advance of retirements; (c) provision of regular training for members of central review bodies, which has resulted in a turnaround time of 48 hours for approving evaluation criteria; (d) generation of translations of vacancy announcements into French within five working days; (e) routine release of applicants for all positions at appropriate time marks (days 16, 31 and 61); and an online vacancy monitoring tool. **The Advisory Committee reiterates the recommendation it made in its first report on the proposed programme budget**

for the biennium 2008-2009 that the lessons learned from the experience of the United Nations Office at Vienna should be applied elsewhere (see A/62/7, para. 37) and recommends that the General Assembly request the Secretary-General to report thereon to the Assembly at its sixty-third session.

55. In his report, the Secretary-General elaborates on the proposal contained in the report on investing in people (see A/61/255, paras. 76-79) to use pre-screened rosters as the primary instrument for recruitment, placement and promotion throughout the Secretariat. Under this proposal, generic vacancy announcements would be issued based on strategic workforce planning and circulated for 60 days. The personal history forms would be redesigned to enable the electronic screening of applicants. Substantive screening of candidates would be carried out by expert groups in particular occupational areas. The central review bodies would continue to ensure that the process was properly followed prior to the placement of candidates on the roster. Following endorsement by a central review body, candidates would be administratively cleared before being placed on a roster. The rosters would also include candidates who had succeeded in a competitive examination. When a vacancy arises, the head of department or office would be able to make a selection from a roster.

56. The Advisory Committee has consistently supported the concept of rosters as a means of expediting the staff selection process. It notes with concern, however, that the current technology supporting the Galaxy e-staffing system does not allow for the management of rosters (A/61/822, para. 24), though rosters were to be an integral part of the staff selection system as set out in administrative instructions ST/AI/2002/4 and ST/AI/2006/3. The Committee has commented on this issue in the past, noting with concern that the staff selection system was put into place in 2002 without an adequate means of handling the rosters that were to be a part of it (see A/60/7, para. 66). The replacement of Galaxy is discussed in the report of the Secretary-General (A/61/822, paras. 23-25), but a timetable is not provided. **It appears to the Committee that until the Galaxy system is replaced, the usefulness of pre-screened rosters will be limited. The Committee therefore recommends that the General Assembly request the Secretary-General to report to it at its sixty-third session on progress with regard to both the replacement of the e-staffing tool and the implementation of pre-screened rosters.**

57. **The Advisory Committee welcomes the emphasis placed by the Secretary-General on strategic workforce planning to identify the Organization's staffing needs. As indicated in paragraph 44 of his report, such planning takes into account new mandates, retirements, gaps in skills, new posts, upcoming post occupancy limits and the geography and gender profile of the Organization. The Committee recommends that the General Assembly request the Secretary-General to provide a detailed report at the sixty-third session on progress achieved and problems encountered in the strategic workforce planning process.**

58. **The Advisory Committee believes that many of the problems that the Organization has encountered in expeditiously recruiting and retaining qualified, high-calibre individuals stem from its overly complex staff selection system.** In this connection, the Committee recalls that during its consideration of the Secretary-General's proposal for a new system of administration of justice, it was

informed that a large percentage of the cases processed by the Panel of Counsel and the Office of the Ombudsman related to staff selection and promotion issues (see A/62/7/Add.7, annex VI). **In the Committee's opinion, the time has come to take a hard look at the current system with a view to simplifying it and making it more transparent, as well as to holding programme managers accountable. The Committee has made a number of concrete suggestions in this regard in the past (see, for example, A/60/7, paras. 62-68; A/61/537, paras. 12-29; and A/62/7, para. VIII.85). In this connection, the Committee looks forward to the report to be submitted to the General Assembly pursuant to section II, paragraph 5, of its resolution 61/244 and trusts that its concerns will be addressed therein.**

VII. Activities of the Ethics Office

59. The report of the Secretary-General on the activities of the Ethics Office (A/62/285) was submitted in response to paragraph 16 (i) of General Assembly resolution 60/254. The report covers the 12-month period from 1 August 2006 to 31 July 2007, which marked the first full operation cycle of the Ethics Office. As noted in paragraph 8 of the report, the Office received 287 requests for services, representing a slight increase in the monthly average of such requests, based on 153 requests for the seven-month period from January to July 2006. Requests for services fell into the following categories: ethics advice (57 per cent); protection against retaliation for reporting misconduct (18 per cent); general information (11 per cent); training (12 per cent); and others (2 per cent). As noted in paragraph 9 of the report, requests for services came from diverse geographical locations and groupings and from staff at different levels across the Secretariat.

60. Section III of the report describes the activities of the Ethics Office in standard-setting; training, education and outreach; provision of advice and guidance; and administration of the financial disclosure programme. With regard to the latter, the Advisory Committee notes that a total of 1,704 staff members were required to file a financial disclosure or declaration of interest statement for the 2005 filing period. A total of 1,670, or 98 per cent, complied. Of the cases reviewed by an external financial firm (PricewaterhouseCoopers LLP), 17, or 1 per cent, were identified as having a potential conflict of interest. In relation to these 17 cases, 14 staff members accepted the advice of PricewaterhouseCoopers regarding the appropriate compliance arrangements in order to address the potential conflict, while 3 cases were referred to the Ethics Office for final resolution owing to a disagreement between the staff member and PricewaterhouseCoopers (see A/62/285, para. 41).

61. The Ethics Office is currently in the process of conducting a review to determine whether financial disclosure statements should be required of officials other than Secretariat officials and experts on mission with a fiduciary role (see A/62/285, para. 51; see also sect. X below).

62. As indicated in paragraph 61 of the report, the current contractual arrangements with PricewaterhouseCoopers are due to terminate in October 2009, at which time the possibility would be explored of the Ethics Office taking over direct responsibility for the review. **In its consideration of the proposed programme budget for the biennium 2008-2009, the Advisory Committee recommended that the General Assembly request the Secretary-General to conduct an in-depth**

analysis by the end of the biennium 2008-2009 of the relative advantages and disadvantages, including costs, of conducting the review in-house as compared to the current outsourcing arrangements (see A/62/7, para. I.17).

63. The Advisory Committee notes that in response to its request that the Secretary-General describe the various ethics activities carried out by different organizational entities within the Secretariat, laying out a plan for coordination among them and exploring the possibility for redeployment of resources to the Ethics Office, if needed (see A/60/7/Add.13, para. 25), the Secretary-General has indicated that the Office has carried out a preliminary survey of such activities and that a compilation of ethics-related activities was being developed. In this connection, the Advisory Committee reiterates that many such activities are already carried out in different parts of the Secretariat, including the Executive Office of the Secretary-General, the Office of Human Resources Management, the Office of Internal Oversight Services, the Office of Legal Affairs and the Department of Peacekeeping Operations. **With a view to avoiding duplication and fostering coordination, the Committee therefore recommends that the General Assembly request the Secretary-General to expedite the completion of the above-mentioned compilation of ethics-related activities being undertaken by different departments/offices and entities and to report thereon at the sixty-third session. As the Committee had requested earlier (see A/60/7/Add.13, para. 25), the report should lay out a plan for coordination among the various entities, exploring the possibility for redeployment of resources to the Ethics Office, if needed.**

64. In paragraph 73 of his report, the Secretary-General states that, while the main responsibilities of the Ethics Office have been clearly set out in his bulletin ST/SGB/2005/22, its jurisdiction is not system-wide.[2] He therefore suggests that the General Assembly may wish to consider broadening the jurisdiction of the Ethics Office to cover all United Nations system entities and to provide further guidance on this matter. **In the view of the Advisory Committee, it would first be necessary for the Assembly to consider whether other United Nations entities, such as funds and programmes, should have common ethics policies and standards and, if so, whether they should be centrally or separately administered. Accordingly, the Committee recommends against broadening the jurisdiction of the Ethics Office at this time.**

VIII. Practice of the Secretary-General in disciplinary matters and possible criminal behaviour, 1 July 2006 to 30 June 2007

65. The report of the Secretary-General on the practice of the Secretary-General in disciplinary matters and possible criminal behaviour, 1 July 2006 to 30 June 2007 (A/62/186), was submitted in response to paragraph 16 of General Assembly resolution 59/287, in which the Assembly, inter alia, requested the Secretary-General to inform Member States on an annual basis about all actions taken in cases

[2] Upon enquiry, the Advisory Committee was informed that the jurisdiction of the Ethics Office was limited to the United Nations Secretariat as defined in Secretary-General's bulletin ST/SGB/1997/5.

of proven misconduct and/or criminal behaviour. The report provides a broad overview of the administrative machinery in disciplinary matters, a summary of the cases for which a disciplinary measure was imposed by the Secretary-General during the reporting period, comparative data and figures reflecting the disposition of all cases that were completed during the reporting period and information on the practice of the Secretary-General in cases of possible criminal behaviour.

66. The Secretary-General indicated in paragraph 2 of his report that, in response to paragraph 17 of resolution 59/287, an information circular was being be issued to inform staff of the most common examples of misconduct and/or criminal behaviour and their disciplinary consequences, including any legal action, with due regard to the protection of the privacy of the staff members concerned. Upon enquiry, the Advisory Committee was informed that the circular was under preparation and would be issued in the coming weeks.

67. The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General.

IX. Special measures for protection from sexual exploitation and sexual abuse

68. The report of the Secretary-General on special measures for protection from sexual exploitation and sexual abuse (A/61/957) was submitted in compliance with General Assembly resolution 57/306, in which the Assembly requested the Secretary-General to maintain data on investigations into sexual exploitation and related offences in the United Nations system. The report includes information provided by 41 United Nations entities on allegations reported in 2006.

69. The Advisory Committee notes, as indicated in section III of the report, that the total number of allegations remained relatively constant, with 371 reported in 2006, as compared with 373 in 2005. The majority of allegations, or 357 of the total of 371, relate to personnel of the Department of Peacekeeping Operations. This figure represents an increase of 5 per cent; however, as indicated in paragraph 13 of the report, peacekeeping personnel increased by 14 per cent during the period. The largest numbers of allegations were reported by the United Nations Organization Mission in the Democratic Republic of the Congo, the United Nations Mission in Liberia and the United Nations Stabilization Mission in Haiti, with 176, 71 and 48 allegations, respectively. The Secretary-General points out that the increase can be partly attributed to better reporting mechanisms, as this period coincided with the creation of dedicated conduct and discipline teams, the establishment of resident Office of Internal Oversight Services offices in a number of peacekeeping operations, strengthened coordination of reporting mechanisms and the implementation of the comprehensive strategy of the Department of Peacekeeping Operations to address sexual exploitation and abuse.

70. **The Advisory Committee welcomes the progress reported by the Secretary-General in strengthening measures for protection from sexual exploitation and sexual abuse (see A/61/957, sect. IV). The Committee recommends that the General Assembly take note of the report of the Secretary-General.**

X. Implementation of the Regulations Governing the Status, Basic Rights and Duties of Officials other than Secretariat Officials and Experts on Mission

71. The report of the Secretary-General on implementation of the Regulations Governing the Status, Basic Rights and Duties of Officials other than Secretariat Officials and Experts on Mission (A/61/1029) was submitted in response to the request of the General Assembly in its resolutions 60/238 and 61/244. The Regulations were adopted by the Assembly in its resolution 56/280 and promulgated by the Secretary-General in his bulletin ST/SGB/2002/9. The report of the Secretary-General provides background on privileges and immunities and describes cases of waiver of immunity. It also discusses the applicability of the financial disclosure requirement to officials other than Secretariat officials and experts on mission.

72. As indicated in paragraphs 19 and 20 of the report, regulation 2 (i) provides that officials and experts on mission shall file financial disclosure statements if requested to do so by the Secretary-General. The Ethics Office, which is responsible for implementing the financial disclosure programmes, is in the process of conducting a review to determine whether such statements should be required of officials and experts on mission with a fiduciary role (see also A/62/285, para. 51). As noted in paragraph 20 of the report, given the policy-setting or oversight roles and the independence of the bodies and status of the members involved, careful consideration will be given to the need for an appropriate financial disclosure system for such individuals.

73. The Advisory Committee notes that the issue of criminal accountability of officials and experts on mission is currently before the General Assembly.

74. **The Advisory Committee recommends that the General Assembly take note of the report of the Secretary-General.**

Annex

Sample comparison of compensation packages

A. Non-family duty station under United Nations peacekeeping, standard evacuation and special operations approach models

Duty station: Bujumbura

Grade level: P-5/1

Marital status: Married

Dependent spouse: Yes

Dependent children: Two

(United States dollars)

	Current models				*Proposed model*
	Department of Peacekeeping Operations special peacekeeping mission model			*Regular duty station model*	*Special operations approach*
	100-series staff member on detail from New York Headquarters	*100-series staff mission appointee*	*300-series mission appointee (P-5/A)*	*100-series family duty station in evacuation status (entitlement duty station: Bujumbura)*	*100-series special operations approach (administrative place of assignment duty station: Nairobi)*
Recurrent payments					
Net salary	79 628	79 628	73 975	79 628	79 628
Post adjustment	51 758	0	0	34 479	31 453
Mission subsistence allowance	44 880	44 880	44 880	0	0
Special operations living allowance	0	0	0	0	44 880
Dependency allowance	3 560	3 560	0	3 560	3 560
Service allowance, including family element	0	0	14 676	0	0
Hazard pay	0	0	0	0	0
Mobility and hardship allowance, including non-removal element (non-removal element for Headquarters only: mobility and hardship level D-1 for Bujumbura; mobility and hardship level C-1 for Nairobi)	2 500	0	0	17 620	14 380
Education grant (2 children at maximum $13,536 per child)	27 072	27 072	0	27 072	27 072

	Current models				*Proposed model*
	Department of Peacekeeping Operations special peacekeeping mission model			*Regular duty station model*	*Special operations approach*
	100-series staff member on detail from New York Headquarters	*100-series staff mission appointee*	*300-series mission appointee (P-5/A)*	*100-series family duty station in evacuation status (entitlement duty station: Bujumbura)*	*100-series special operations approach (administrative place of assignment duty station: Nairobi)*
Rest and recuperation travel (6 trips per year at $500 per trip)	0	0	0	0	3 000
Rental subsidy (rent: $3,700 in New York, rental subsidy threshold 26 per cent; $2,500 per month; rental subsidy threshold 18 per cent for Nairobi; $7,500 per month, rental subsidy threshold 15 per cent for Bujumbura)	8 192	0	0	707	8 004
Extended monthly evacuation allowance (based on dependants in Nairobi)	0	0	0	21 595	0
Subtotal	**217 590**	**155 140**	**133 531**	**184 661**	**211 977**
One-time payments					
Assignment grant					
Daily subsistence allowance portion	0	0	0	6 060	15 150
Lump-sum portion	0	0	0	9 509	9 257
Lump-sum in lieu of shipment of personal effects					
100 kg entitlement	1 200	1 200	1 200	0	0
2 100 kg entitlement	0	0	0	15 000	15 000
Initial travel					
Staff member	4 000	4 000	4 000	4 000	4 000
Spouse and two children: ($3,500 per person)	0	0	0	0	10 500
Subtotal	**1 200**	**1 200**	**1 200**	**30 569**	**39 407**
Total	**218 790**	**156 340**	**134 731**	**215 230**	**251 384**

B. Staff assigned from Headquarters and mission staff appointed to an established family duty station[a]

Mission: UNIFIL

Duty station: Tyre

Contract type: 100-series

Grade/step: P-5/1

Marital status: Married

Dependent spouse: Yes

Dependent children: Two

(United States dollars)

	100-series staff member on assignment from New York Headquarters	*100-series mission appointee*
Recurring payments		
Net salary	79 628	79 628
Post adjustment (43.5)	34 638	34 638
Dependency allowance	3 560	3 560
Mobility and hardship allowance	17 620	17 620
Hazard pay ($1,300 per month)	15 600	15 600
Education grant (2 children maximum $13,536 per child)	27 072	27 072
Subtotal	**178 118**	**178 118**
One-time payments		
Assignment grant	17 847	17 847
Lump-sum option in lieu of shipment of personal effects	15 000	15 000
Subtotal	**32 847**	**32 847**
Total	**210 965**	**210 965**

[a] Note: Staff members on assignment from Headquarters to a family mission change their official duty station but retain a lien against their post at Headquarters.

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Proposed programme budget for the biennium 2008-2009

Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Resource requirements for procurement investigations

Sixteenth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on interim arrangements for the Procurement Task Force of the Office of Internal Oversight Services for 2008 and related resource requirements (A/62/520). During its consideration of the report, the Committee met with the Under-Secretary-General for Internal Oversight Services, the Chairman of the Task Force and other representatives of the Secretary-General, who provided additional information and clarifications

2. The Office of Internal Oversight Services has reported separately on the activities of the Task Force for the 18-month period ended 30 June 2007 (A/62/272). As stated in paragraph 2 of the report of the Secretary-General (A/62/520), "while the Task Force was intended as an interim ad hoc entity established to address a particular problem, it is unlikely that the pending investigations being handled by the Task Force will be completed by the end of 2007". Upon enquiry, the Advisory Committee was informed that the Task Force currently has 289 cases, of which more than 40 are significant, complex matters involving high-value contracts and multiple procurement exercises over several years. The aggregate value of contracts under examination by the Task Force exceeds $1.5 billion. The Task Force has closed 125 cases and issued 25 reports.

3. The Secretary-General indicates that the interim arrangements for the Task Force for 2008 are proposed pending the finalization of proposals and their review by the General Assembly. **In this context, the Advisory Committee emphasizes the interim character of the arrangements described in the report of the Secretary-General and points out that it will revert to the issue of funding of activities implemented by the Task Force in the context of its review of the**

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forthcoming reports of the Secretary-General on the overall capacity of the Office of Internal Oversight Services, as well as other relevant reports (see A/62/7, para. IX.19). Accordingly, the Committee's recommendations in this connection are without prejudice to its future consideration of the forthcoming report of the Secretary-General on the Office of Internal Oversight Services.

4. The Secretary-General indicates that the activities of the Task Force for 2008 would be carried out by drawing, to the extent possible, on the established staffing table of the Investigations Division of the Office of Internal Oversight Services. Vacant posts would be utilized pending the long-term recruitment of staff against such posts. Operational costs would be absorbed to the greatest extent possible, and the outcome of those efforts would be reported in the context of performance reports on the regular and peacekeeping budgets.

5. Requirements for the Procurement Task Force for 2008 are estimated by the Secretary-General at $4.9 million, including $3.0 million for general temporary assistance, comprising 27 positions (1 Chairman (D-2), 1 Senior Investigator (P-5), 18 Investigators (P-4), 1 Forensic Officer (P-4), 1 Associate Officer (P-2), 1 Information Technology Officer (P-4), 1 Information Manager (P-2), 1 Administrative Officer (P-3) and 2 General Service (Other level) support staff). The Advisory Committee was informed that of the 27 positions, three P-4 Investigator positions were vacant as at 14 November 2007.

6. The estimated requirements also include a provision of $696,000 for contractual services, $595,800 for general operating expenses, $432,000 for travel, $132,900 for furniture and equipment and $20,000 for supplies and materials.

7. Upon enquiry, the Advisory Committee was informed by the Office of Internal Oversight Services that the estimated requirements of $696,000 for contractual services

> refer almost exclusively to the outside forensic experts hired to perform the function of securing, maintaining, examining and organizing the electronic evidence which is central to the Task Force's work. This is a critical function, and a function which is proposed to be developed in-house to reduce costs. The function is required to be phased in, as Task Force staff members need to be trained in the techniques, methods and skills necessary to perform forensic imaging and analysis, a highly specialized skill requiring specialized training, and the proper equipment must be purchased. The proposal is to phase in this capacity in 2008. Therefore, some reliance on these experts will still be needed in 2008. By 2009, such reliance should be integrated into the Office of Internal Oversight Services.

8. Regarding the increase in travel requirements from $351,200 for 2007 to $432,000 for 2008, the Advisory Committee was informed by the Office of Internal Oversight Services that

> as the majority of the caseload involves peacekeeping missions, the Procurement Task Force must travel at times to these locations and overseas offices in furtherance of the investigation. The Task Force has always been very mindful and careful of expending funds on travel, and undertakes travel to missions and overseas offices sparingly and only when necessary. In 2006, the Task Force was required to focus upon the eight staff members placed upon special leave. Most of these cases concerned Headquarters procurement

matters. In 2007, the Task Force has focused upon its core purpose, namely, procurement in the peacekeeping missions. In connection with these cases, the Task Force is required to travel more extensively and has been to seven missions thus far, with several more to address. Therefore, increased travel to missions and overseas is needed in 2008 to conclude these matters. Further, additional referrals continue to be made in connection with peacekeeping mission procurement.

9. The Advisory Committee notes that charges for the Procurement Task Force would be apportioned between the peacekeeping budgets (85 per cent) and the regular budget (15 per cent).

10. **The Advisory Committee recommends that the General Assembly take note of the Secretary-General's proposed arrangements and of his intention to accommodate the related requirements, to the extent possible, within the appropriations for the period concerned and to report thereon in the context of financial performance reports. The Committee expects that these requirements will be absorbed within the approved appropriations.**

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Report of the Economic and Social Council

Programme budget for the biennium 2006-2007

Proposed programme budget for the biennium 2008-2009

Revised estimates resulting from resolutions and decisions adopted by the Economic and Social Council at its substantive and resumed substantive sessions of 2007

Seventeenth report of the Advisory Committee on Administrative and Budgetary Questions on the proposed programme budget for the biennium 2008-2009

1. The Advisory Committee on Administrative and Budgetary Questions has considered the report of the Secretary-General on revised estimates resulting from the resolutions and decisions adopted by the Economic and Social Council at its substantive and resumed substantive sessions of 2007 (A/62/515). During its consideration of the report, the Committee met with representatives of the Secretary-General, who provided additional information and clarifications.

2. The Advisory Committee notes that the revised estimates relate to a series of Economic and Social Council resolutions and decisions outlined in the report of the Secretary-General. As indicated therein, the expenditure requirements for the biennium 2006-2007 arising as a result of those resolutions and decisions are estimated at $238,300, which could be absorbed within the resources provided under the programme budget for the biennium 2006-2007.

3. With regard to the biennium 2008-2009, the Secretary-General indicates that additional requirements are estimated at $14,205,700, of which an amount of $84,400 would be absorbed within the provisions contained in the proposed programme budget for the biennium 2008-2009. The balance of $14,121,300 would therefore be required under the proposed programme budget for the biennium 2008-2009, including $13,290,400 under section 2, General Assembly and Economic and Social Council affairs and conference management, and $830,900 under section 23, Human rights. According to the Secretary-General, the total amount of $14,121,300 would represent a charge against the contingency fund for

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the biennium 2008-2009 to be approved by the General Assembly at its sixty-second session. The Secretary-General further indicates that it is not possible at this stage to identify activities within sections 2 and 23 of the proposed programme budget for the biennium 2008-2009 that could be deferred, curtailed or modified during that biennium to meet the additional requirements (A/62/515, para. 72). **The Advisory Committee has no objection to the approach proposed by the Secretary-General.**